

Ruby Wiens

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DEC 17 2007

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Marion, South Dakota 57043

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SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

December 12, 2007

South Dakota Public Utilities Commission
500 E. Capitol Avenue
Pierre, SD 57501-5070

Subject: North Western's Natural Gas Rate Notice

The new gas rate which you approved to be effective Dec 1, 2007 arrived with my November bill from Northwestern Energy. I struggle hard and endure chilly rooms to keep my gas bill at a minimum. I am greatly distressed to be informed my gas rate will increase 11.9% while heavy users, and big businesses will have their rates increased 2.8%. It adds insult to injury to see that SDPUC's preferred solution to higher rates is to grant relief to big businesses by charging more to small businesses and consumers! This is very unfair to those of us on fixed incomes. How you can justify having old folks sit in the recommended 68 degrees coolness of a room in order to cater to the wishes of the larger consumption users is beyond my sense of fairness. I suggested all natural gas users be charged a median increase of 5.7%.

You need not waste your time sending me suggestions for saving energy. I have already had the windows changed to energy efficient double glass, increased attic insulation, and replaced weather stripping around doors.

Ruby Wiens

cc: North Western Energy
Consumer Advocate
P.O. Box 1318
Huron, SD 57350

Office of Attorney General
1302 E. Highway 14, Ste 3
Pierre, SD 57501-8501

AARP
Consumer Protection
601 E. Street NW
Washington, DC 20049

NORTHWESTERN'S NATURAL GAS RATE

notice

We work to provide the best in quality customer service. In June, NorthWestern Energy filed with the South Dakota Public Utilities Commission (SDPUC) for a natural gas rate increase. NorthWestern's rates have remained the same for eight years and will continue to be very competitive.

After extensive review, NorthWestern Energy and the SDPUC staff have reached settlement on the rate increase which will begin on December 1, 2007. The SDPUC commissioners will take final action on the settlement agreement in December of 2007. *See the charts on the back of this flyer for a detailed breakdown of rate comparisons.*

Q: Why did you seek a rate increase?

A: To cover rising costs of the operation and maintenance of the natural gas delivery system. The increase allows us to continue to enhance our natural gas distribution system.

Q: How much will rates increase?

A: Residential rates will increase an average of 5.8%, which is relatively low when compared to a 21.6% rate of inflation over the same time period.

Q: How will this increase affect my bill?

A: Please refer to the charts on the back of this flyer.

Q: When will the new rates go into effect?

A: The new rate will begin on December 1, 2007. If you are concerned about high winter bills, NorthWestern offers a Budget Billing Plan, which provides even monthly payments throughout the year. NorthWestern also provides tips on how to save energy during the cold winter months. For more information visit your local office or our Web site or call the customer contact center at (800) 245-6977.

The following table compares sample residential bills using prior rates and the new approved rates at varying levels of monthly usage. Sample bills also include the cost of natural gas.

Monthly Therms	Prior Rate	New Rate	Amt. of Increase	Percentage Increase
10	\$17.47	\$19.55	\$2.08	11.9%
50	\$61.80	\$66.48	\$4.69	7.6%
100	\$115.24	\$121.07	\$5.84	5.1%
200	\$222.12	\$230.25	\$8.14	3.7%
300	\$329.00	\$339.43	\$10.44	3.2%
500	\$542.76	\$557.79	\$15.04	2.8%

SOUTH DAKOTA RATE COMPARISON		
	Old Rate	New Rate
Customer Charge	\$6.00	\$7.00
Per Therm	\$0.2055	\$0.3130
Over 50 Therms	\$0.127	\$0.150

contact...

SOUTH DAKOTA
Customer Contact Center
6 a.m. - 10 p.m. M-F (800) 245-6977

Emergency 24/7 Service (800) 245-6977

NorthWestern
Energy